
The Concept of Convergent Development of Rural Areas of the Russian Federation

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Abstract:

The article examines approaches to solving the problem of overcoming the depressiveness of Russian rural areas, increasing social differentiation and territorial disintegration, which becomes the most important factor hampering the country's socio-economic development.

The main factors inhibiting the development of rural areas and contributing to the deepening of the systemic crisis of the Russian village are examined. The urgency of forming an effective mechanism for overcoming economic and social inertia in rural areas, responding to modern challenges and risks, is substantiated.

Keywords: *economy, inertia, rural areas, Russian Federation, convergence, social development.*

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1. Introduction

The relevance of the problem of rural areas development is due to the fact that about two-thirds of the total area of Russia is occupied by rural areas, which are home to almost half of the country's population. Rural areas possess a powerful natural, socio-demographic, economic potential and play an important role in ensuring the food supply security of the country. However, the consistent trend of sinking of the Russian village settlement into the systemic crisis, which manifests itself in poverty and high unemployment of the rural population, low competitiveness and high costs of agricultural production, a decline in the quality of the rural life environment, loss of previously developed agricultural land, reduced soil fertility and genetic potential of agricultural crops there has been observed in recent years. In addition, both the number of rural settlements and the rural population have been declining in the country in recent decades, which threatens the development of the rural areas themselves. The vast majority of rural areas in Russia are depressed, and the population's position on them is the most disastrous. At the same time, the gap between the living standards of urban and rural populations is constantly increasing. Salary in agriculture has been on an average stably two times lower than the average salary in the economy of the country in recent years.

The share of households with per capita incomes below the minimum of subsistence in rural areas was more than 40 percent of the total number of poor families in 2013. Up to 3,000 village settlements and villages disappear from the country's map every year. Settlements with population of up to 10 people constitute almost a quarter of the total number of rural settlements [1]. But the rural population is the most homogeneous, conservative and tolerant part of society. Rural youth provides 80% of conscripts to the Russian Army. Moreover, security and territorial unity of the state in geopolitical context strongly depend on the level of rural areas development, their economic development, and density of the population living on them.

Problems of the village settlement are particularly acutely manifested against the backdrop of the current crisis. The current social and economic crisis in Russia is special. It began not with the economic contraction, but with recession. Then the country sunk into stagnation, from which it did not escape until now. The new crisis is slow one; the country has failed to find new growth drivers yet. Meanwhile, an extremely high level of regional differentiation in terms of key socio-economic indicators was replaced by an even more significant level of intraregional inequality. Moreover, the number of problematic rural areas have conspicuous growing trend, what is accounted by influence of the range of both objective and subjective factors.

Therefore, there is an urgent need to create conditions for the growth of the rural economy and for raising the standard of living of the rural population on this basis, increasing employment, and stimulating the development of agro industrial production. The necessity to solve these problems determines the urgency of research into the problems of rural areas development, reduction of intra-regional

inequality level, and development of mechanisms for overcoming social and economic inertia in the village settlements. The purpose of the research is to formulate the concept of convergent development of territories, which includes mechanism for overcoming social and economic inertia in rural areas and generating institutional and structural changes aimed at creating favorable conditions for the withdrawal of the village settlement from a protracted crisis.

We summarize the most significant achievements of the scientific literature on the development of rural settlements, stimulation of economic growth in peripheral and depressed territories, in the section following the introduction. After that we consider the used methods and data. Interim analysis of the results of the implementation of the state program for the development of agriculture for 2013-2020 was carried out, strengths and weaknesses, threats and opportunities were identified based on the components of which the proposed concept of convergent development of rural areas of Russia is based in the section devoted to the results of the research. The potential theoretical and practical significance of the work, based on the results of the research performed is shown in the "Discussion" section.

2. Literature Review

The concept of "convergence" was introduced in 1873 by the English physicist J. K. Maxwell, who was working on creating the theory of electromagnetic field. In economic theory, the concept of convergence was formulated in the framework of the neoclassical model of economic growth by R. Solow [2]. The convergence means an approach towards merging, stable equilibrium. Literally, convergence consists in the independent development of the same attributes in different systems as a result of adaptation to similar conditions or similar environmental conditions [21]. Convergence hypothesis is the assertion that, despite the significant differences in economic systems among themselves, in the course of evolution they reject ineffective institutional forms and maintain effective ones. Therefore, ultimately, after such an evolutionary selection, they all will be relatively identical and in certain sense similar to each other.

Supporters of this hypothesis assert that the latest technologies, communication facilities, transport arteries are spreading everywhere and therefore create a unique uniform technical and technological basis for the development of various countries and territories. That is, certain universal technical basis arises, which lays the grounds for blurring the differences between different countries and territories. Another argument in favor of convergence became the spread of planning technologies and similar planned techniques in countries of the world with different political systems.

Problems of convergence in a broad sense are dealt with by scientists from different fields of science: mathematics, philosophy, biology, ethnography, sociology, cultural studies, political science, and economics. At present, it is considered that without

understanding the essence of convergence and divergence concepts, analyzing their interconnection and interdependence, it is difficult to construct a theoretically grounded theory of the stable (unstable) development of any object, as well as the theory of stability (instability).

An important milestone in the development of the convergence theory was the research of the so-called NBIC-convergence (according to the first letters of the regions: N - nano; B - bio; I - info; C - cogno). The term was introduced in 2002 by Mihail Roco and William Bainbridge, the authors of the well-known report *Converging Technologies for Improving Human Performance*, prepared within the framework of the World Technology Evaluation Center (WTEC). The report is devoted to the disclosure of the peculiarities of NBIC-convergence, its importance in the general course of world technological development, as well as its evolutionary and culture forming significance [3].

Concerning the use of the convergence conjecture in economic sciences, it should be noted that in the studies of a number of foreign and domestic authors present approaches to analyzing and assessing the convergence rate based on its connection with theoretical models of economic growth, in particular, with the Solow model. Here it is possible to note the papers by such authors as R. Barro, K. Dervish, X. Sala-i-Martin, W. Baumol, Ch. Jones, P. Evans, N. Islam, G. Mankiw, P. Romer, D. Wale [4, 5, 6].

In his papers the Russian author Iodchin A.A. presented and analyzed models of economic growth serving as a theoretical basis for the analysis of convergence, and produced an industry decomposition of convergence, which makes it possible to identify the branches that exert the greatest influence on the reduction of interregional inequality [7].

It should also be noted that the attempts to apply methods of analysis of panel data and models of spatial autocorrelation for studying the processes of convergence of Russian regions are been in the Russian scientists papers in recent years. Panel data, in contrast to spatial data, allows increasing the reliability of the results obtained by increasing the sample size and taking into account the individual characteristics of the regions. Models of spatial autocorrelation take into account the location of regions in space and their mutual influence. The binary choice models used by a number of authors make it possible to predict the transitions of regions from one homogeneous group to another, which allows the bodies of federal and regional government to regulate this process, and consequently, the dynamics of regional development and inequality.

At present, the term "convergence" is used most often in describing integration processes. The general trends and factors of scientific and technical and socio-economic progress lie at the heart of world integration development. They determine

the approach, i.e., the convergence, the economies of an increasing number of countries, while preserving their national characteristics.

Quite often, the convergence hypothesis is tested on the example of regions, since there are significant discrepancies between regions in terms of the level of development of technologies, productions, economic institutions, etc. Therefore, the probability of absolute convergence between regions is quite high. It should be taken into account that the policy of the central government is aimed, as a rule, to smooth inter regional and inter territorial differences, to support the development of relatively poor territories.

The process opposite of convergence is called divergence. Divergence is the discrepancy of signs of social and economic systems in the course of evolution. Divergence is supported by the struggle for existence, survival. The divergence principle explains the process of formation of larger groups of regions, territorial associations and the emergence of gaps between them. Divergence in the economy means moving along disperses trajectories, deepening the gap between the levels of development of individual countries and regions. In addition, this term is also used to denote the deviation of individual countries or regions from average macroeconomic indicators for a group of countries or regions.

The analysis showed that the process of globalization and the integration processes taking place in the world economy determine the predominance of convergence processes, i.e. approach of economies of different countries, regions, territories. Trade liberalization, growth of world commodity circulation and direct foreign investment, import of technologies may be the cause of possible convergence. However, despite the fact that the factors of globalization contribute to the convergence of the countries of the world in terms of development level, it is only about convergence of the average indicators in the world, without taking into account the growing inequality within and within the regions. Therefore, the study of intraregional socio-economic disparities should now be aimed at identifying the presence or absence of convergence of rural areas within Russian regions.

The scientific novelty of the article is that the hypothesis of asymmetry and heterogeneity of the socio-economic development of rural areas of the Russian Federation is developed in it, the essence of territorial development in terms of divergence and convergence is specified; the main types of convergence are considered and the boundaries of their use are argued; the concept of convergent development of rural areas was developed on the basis of analysis of types and mechanisms of convergence, assessment of the degree of intraregional inequality.

3. Methods and Materials

The comprehension of the contradictory processes of social and economic evolution taking place in Russia and actualizing attention to such categories as "chaos" and "order", "differentiation" and "integration", "reforms" and "counter-reform" require the using of different research and analysis methods. Taking into account the complexity of the problems studied, their satisfactory solution can be achieved only by attracting a wide range of methods and interdisciplinary approaches, the ideas of methodological pluralism, reflecting the diversity of approaches to the analysis of the socio-economic development of society. The present paper uses methods and principles of synergetics as an interdisciplinary scientific direction that researches the cross functional regularities of the processes of self-organization, evolution and cooperation, as well as the methodology of system researches and the concept of convergence.

Analyzing the socio-economic development of rural areas, it should be noted that synergetics creates a theoretical and methodological basis for analyzing complex socio-economic processes in general, taking into account specific Russian phenomena of the Russian periphery. The features of social and economic processes in rural Russia, which cannot be analyzed in the traditions of classical science, are the space where the methodological possibilities of social synergetics as a post-post-non-classical paradigm of scientific knowledge are disclosed and applied quite fully. Classicists of synergetics are Prigozhin I., Stengers I. [8]. Currently, a new area of economic theory is actively developing - the synergetic economy. It is considered by specialists as a part of general synergetics, researching the temporal and spatial processes of economic evolution [9].

The so-called concept of reproduction of the social and economic order, the main provisions of which were laid in the theory of economic order, and then supplemented and developed from the standpoint of systemic representations and modern achievements of post-non-classical science can become the theoretical basis for large-scale transformations of the Russian economy, including at the municipal level.

The concept of "order" was introduced into scientific circulation by representatives of the German historical school, and then it provide the basis for creating a theory of social market economy, which became extremely popular in many countries of the world. Experts believe that it will not lose its relevance in the first half of the twenty first century, despite the fact that in the foreign scientific literature there is currently an active discussion about the prospects of the social market, as these prospects are ambiguous and raise considerable doubts among many economists.

It is believed that, from the point of view of the methodology of convergence research, the easiest way to analyze the convergence presence in the pace of economic development can be from the perspective of reducing inequality in the per capita gross domestic product (Gross Regional Product, GRP) among a group of

regions (i.e., the convergence σ concept is considered). The cross-section analysis a sample of regions, wherein the dependence of the accumulated real Gross Regional Product (GRP) over a certain period of time on the initial GRP per capita is estimated is usually used for test the convergence β concept [10]. More difficult from a methodological point of view is to test the hypothesis of convergence based on the analysis of time sequence of income indicators by regions and municipalities, researches of their dynamic characteristics. However, the lack of sufficiently long sequence of data for the regions of the Russian Federation (and especially for Municipal Corporation) makes it difficult to use the dynamic series method to test the convergence hypothesis at the level of rural settlements.

There is a widespread view that policies aimed at reducing differences in the levels of economic development of individual territories inevitably entail a reduction in the growth rates of the national economy, and vice versa, the growth of the gross domestic product (GDP) can be ensured only at the cost of deepening interregional and intraregional inequalities. In the framework of the emerging theory of feedback, it is proved that positive feedbacks that promote the build-up of the system and its departure from a state of equilibrium always lead to an increase in territorial differentiation, despite the regulatory actions of the federal center. The resources spent on supporting depressed areas and lagging regions can only reduce the rate of increase in territorial differences, but this will be due to a reduction in the growth rates of the economy.

In this paper, the opposite thesis is defended, according to which positive feedbacks existing in the economy, working to deepen territorial differences, can be compensated for through targeted, effective actions of state authorities and local self-government. The concept of convergent development of Russian rural areas is proposed to justify this point of view. Concrete research methods, such as economic and statistical analysis, assessment of the regulatory impact of state administrative bodies, SWOT-analysis, situational analysis, and expert assessments were also used in the paper.

4. Results

The Concept of Convergent Development of Rural Areas of the Russian Federation for the period until 2020 was adopted in 2010, which proclaimed that "the creation of conditions for the sustainable development of rural areas is one of the most important strategic objectives of public policy, the achievement of which will ensure food supply security, the competitiveness of the Russian economy, and the welfare of citizens" [11]. The State Program for the Development of Agriculture and Regulation of Agricultural Products, Raw Materials and Foodstuffs for 2013-2020 was adopted in 2012, approved by Decree of the Government of the Russian Federation No. 717 of July 14, 2012, with a total funding of 299,167.4 million rubles [12]. Finally, the Strategy for the Sustainable Development of Rural Areas of the

Russian Federation for the period until 2030 was adopted in 2015 (approved by the Government Executive Order of the Russian Federation of February 2, 2015, 151-r) [13].

Nevertheless, the backlog of the Russian village settlement in social and economic development from the city continues, the systemic crisis deepens despite the measures taken by the state and allocated resources. Thus, the number of rural population has decreased by 2.3 million people since 2000 and amounted to 37.1 million as of January 01, 2014. The density of population is low - 2.3 persons per 1 sq. kilometer. The migration outflow of the population from rural areas is increasing (2012: 166.6 ths of people, 2013: 176.8 ths of people). Small rural settlements predominate in the rural resettlement structure. According to the All-Russian Population Census 2010, 12 percent from the 153 ths of rural settlements do not have permanent population, and two-thirds of them have population of less than 200 people. Rural settlements with population of more than 2 thousand are less than 2 percent [13]. The reduction of the number of rural settlements in 2010 in comparison with 1989 was 9.2 ths of village settlements and villages. The settlements with population of up to 10 persons were 23.7 per cent in 2010 [12].

Agriculture in the majority of rural settlements continues to be the main sphere of employment of rural settlements residents, as a result of which the rural economy can be characterized as sector-specific with a low level of workforce productivity (8-10 times lower compared with economically developed countries according to various estimates). The standard of living of the rural population remains extremely low; the gap between the city and the rural areas is increasing in terms of income. So, the average per capita accommodate resources of rural households were 61 percent of the urban level in 2010. Poverty, which destroys the labor and genetic potential of the village settlement, remains a mass phenomenon. The 42 percent of the total poor population in Russia is in the rural areas. Reducing and disintegration down the rural settlement structure leads to depopulation and desolation of rural areas, and withdrawal productive agricultural lands from turnover, which threatens not only the food supply but also the geopolitical security of Russia.

The objectives of the State Program for the Development of the Village Settlement adopted in 2012 are:

- creation of comfort conditions for life sustenance in rural areas;
- stimulation of investment activity in agro industrial complex by creating favorable infrastructure conditions in rural areas;
- assistance in creating high-technology workplaces in the village settlements;
- formation the positive attitude towards the rural way of life [12].

After 5 years from the beginning of the program, it became clear that these goals will not be achieved. This is evidenced by the dynamics of the main socio-economic indicators of rural areas development. So, medical institutions are territorially accessible only for 49.4 percent of the rural population, for 40 percent they are

difficult to access, for 9 percent they are inaccessible. Over 100 ths of rural students are currently enrolled in general education institutions which are in a dilapidated and critical condition. Institutions of cultural-leisure type are available only for 39.6 percent of the rural population; i.e. two thirds of rural settlements (105 ths) do not have cultural institutions [13]. The level of drinking water supply for the population was 59.6 percent in 2013. The specific weight of rural settlements with wastewater disposal was only 5 percent (98 percent by cities). The number of schools in rural areas has decreased by more than 12 thousand since 2008. Rural small schools began to be closed as a result of the education modernization project for 2011 - 2015. The number of public health organization in rural areas is also decreasing. The number of polyclinics decreased by 65 percent, rural health posts by 22 percent, first-aid station by 11 percent, and the number of paramedical personnel decreased by 9 percent in comparison with 2000 [13].

That is, the development of a vital health and education infrastructure is subject to the ensuring economic efficiency goal in prejudice of the population's access to these essential social services, which in fact leads to violation of the rights of villagers to medical aid and education. Infrastructural development of rural areas, especially the road network, and modern communications tools is at a pace that does not allow overcoming the existing spatial and communication gap between the city and the village settlement in the near future.

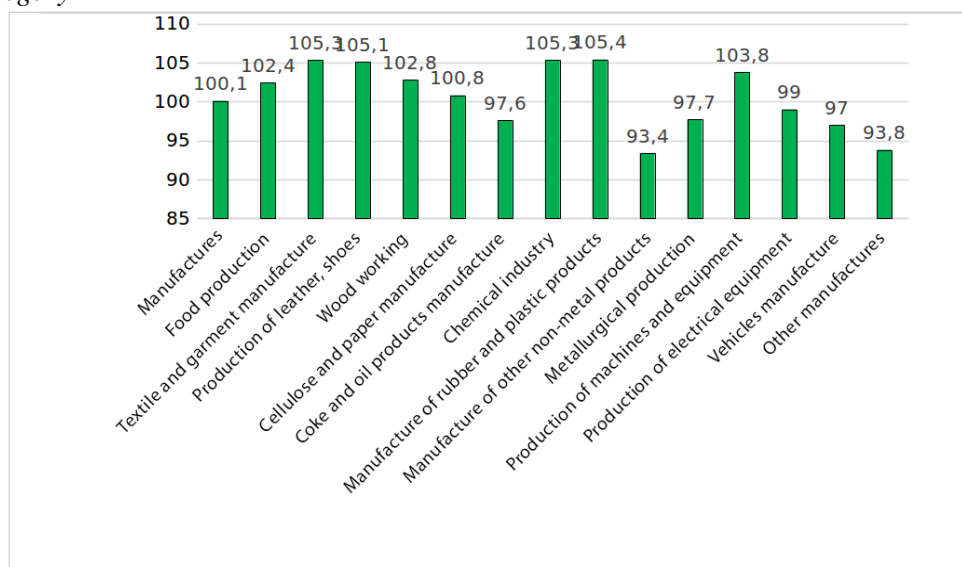
The given data testify to the growing need to create prerequisites and conditions for improving the living conditions in the village settlements, but this is possible only on the basis of the growth of the rural economy, stimulation of the development of rural areas, despite the unfavorable internal and external factors, and continuing stagnation of the Russian economy.

At present, the Russian economy as a whole is characterized by unstable dynamics, a decline in the pace of development, and lack of positive structural shifts. Crisis phenomena are manifested in a decline in investment and income, in an unfavorable budgetary situation, in the reduction of industrial production and gross domestic product.

Federal State Statistics Service summed up the official results of the development of the Russian economy for 2016. As the statistics showed, Russia's gross domestic product fell by 0.7% last year, investment in equity decreased by 2.3%, real incomes of people decreased by 5.9%, retail business fell by 5.2%, and exports dipped by 19.8%. [14]. These figures are in contradiction with the official statements of the government that Russia has long passed the "bottom" and the economy is growing steadily. Objectively, the picture is different: Russia entered a long period of stagnation. And although some crisis phenomena are statistically smoothed out, there is no talk of an increase in the economy. Most likely, 2017 will be a period of prolongation of the inertial scenario of development, in which the state administrative bodies will use the traditional recipes of anti-cyclical measures.

The economy demonstrated the continuation of the process of slow gradual compression in 2016. The index of industrial production in 2016 averaged about 96% by 2015. And this despite the fact that hydrocarbons production increased in volume terms by more than 3% and the average price for oil in 2016 was higher than year earlier. In the manufacturing branch, growth bordered by stagnation and amounted to only 0.1% (Figure 1)

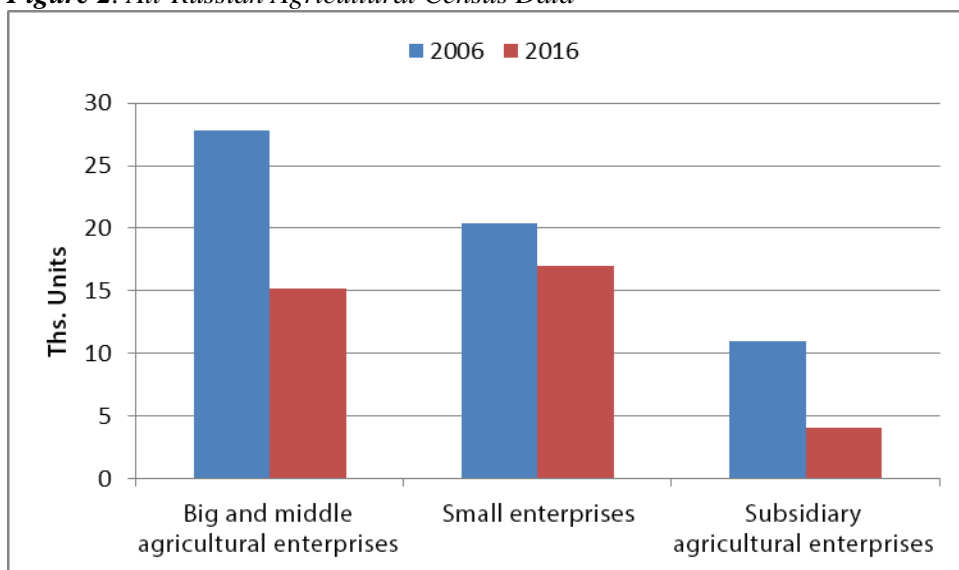
Figure 1. Index of production by activity category "Manufactures" for 2016, by category



Against the backdrop of pessimistic expectations of investors and enterpriser in Russia, the demand for money has substantially decreased - the balances of banks' funds with the Central Bank of Russia for the nine months of 2016 doubled. The picture is added by the fact that the volume of the Russian Federation's Reserve Fund dropped to 972 billion rubles as of January 01, 2017 [15].

The overall trend of agriculture development remains negative, despite a slight increase in it in the last two years. The preliminary results of the All-Russian Agricultural Census that took place in the summer of 2016 were published on Federal State Statistics Service website [16]. Since the Agricultural Census was conducted for the second time in the recent history of our country (the first one was organized in 2006), the available data already allow us to identify the industry development trend. The number of agricultural organizations, truck farm and noncommercial associations of this sphere is consistently decreasing in the Russian Federation (Figure 2).

Figure 2. *All-Russian Agricultural Census Data*



Particular attention should be paid to the number of agricultural enterprises of different scale. The share of large and medium-sized organizations almost doubled (1.8). But it is they who could most effectively promote import substitution. The situation is somewhat better with small enterprises - their number decreased by 1.2 times. And the number of personal and individual households decreased in the country by almost three times in ten years. And if the purposeful support of agriculture by the state does not increase, then the trend towards its degradation will continue.

Proceeding from the goals of socio-economic and territorial policy, tasks are formulated aimed at state support of agriculture, creating conditions for the transition of the agro industrial sector to the stage of real modernization. Among these tasks are:

- coordination of the actions of the authorities at the level of the Federation, Federal subject, municipal corporation in order to develop a systematic approach to solving problems of integrated spatial development, effective functioning of the agro-industrial branch and the implementation of territorial and municipal policies;
- development of production and technological potential, transition to new high technologies of agricultural production;
- provision of favorable economic and institutional conditions for activation of entrepreneurial activities in rural areas and development of high-technology productions in the agro industrial complex;
- creation of the staff training and retraining system in the field of agricultural enterprise;
- concentration of organizational measures and resources in priority directions for the agro industrial sphere development, procurement of capital for the technological

re-equipment of the agricultural processing sector;

- introduction of advanced standards of product quality and environmental protection.

The State Program for the Development of Agriculture for 2013-2020 [12] and the Strategy for the Sustainable Development of Rural areas of the Russian Federation for the period until 2030 [13] set the task of "creating conditions for the sustainable development of rural areas and the formation of a positive attitude towards the rural way of life". For this, it is necessary to use the competitive advantages of Russia's spatial position: natural resources developed mineral raw material base, the possibility of producing mass, relatively cheap food products for the domestic market and the market of developing countries; significant technological potential of agriculture, attracting highly qualified personnel to the village settlement.

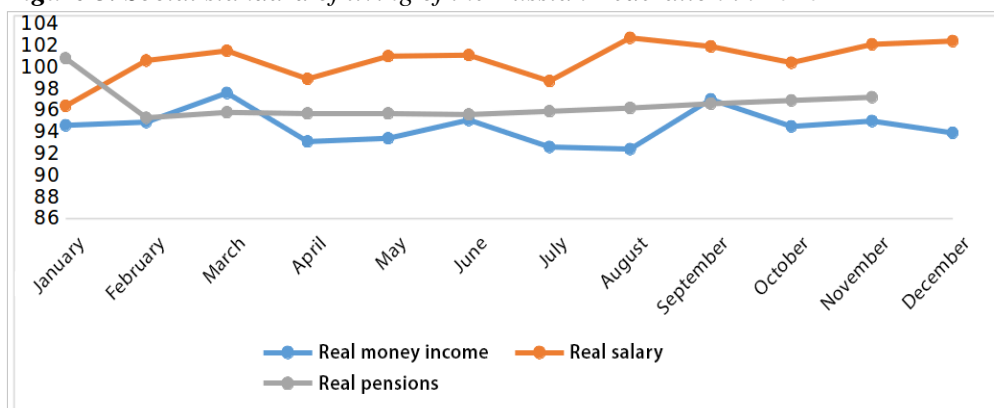
According to the author's opinion, among the problems that hamper the development of Russia's rural areas, it is possible to allocate more number of main problems than it reflected in the State Program [12], namely:

- the technological backwardness of most agricultural enterprises;
- low products competitive ability of agricultural branch;
- under-development of small agricultural enterprises support system in the country;
- lack or insufficiency of modern transport and social infrastructure in rural areas;
- lack or inadequacy of tax and other benefits for agricultural producers;
- lack of political willpower on the part of the authorities and local self-government to take realistic measures to transfer the economy to the innovation-based development;
- need to transfer the economy in the country and in certain regions to the innovation-based development is not understood by the broad masses of the people;
- lack of necessary number of qualified agronomists personnel, stock-breeder, managers, specialists in innovative agricultural technologies, project management, etc.;
- sufficient conditions for a broad involvement of the private funds in the implementation of agricultural projects are not created;
- low percent of major conversion products, insufficient degree of agricultural production automation, low ecological properties of goods.

The slowdown in the development of rural areas is due to long-standing structural problems, aggravated by the economic crisis, geopolitical factors, and uncertainty of the external environment. In the conditions of the prolonged stagnation of the economy, it is increasingly possible to observe various structural, institutional and, as a result, behavioral anomalies of economic entities, decreasing in the level and quality of population's life, especially in rural areas.

According to the World Bank, the number of poor (people whose income is below the minimum of subsistence) in Russia increased by three million in 2015. According to Bank for Foreign Economic Activity, the fall in effective income and salaries in Russia has become unprecedented since the 1990s [17]. Citizens' incomes fell by 5.9% in 2016. At the same time, real pensions also declined, which were not indexed in 2016 at the rate of inflation. Effective income of the population fell, and there is no trend for their recovery (Figure 3) [14].

Figure 3. *Social standard of living of the Russian Federation in 2016*



If one looks at the economy structure and branch transformations, it can be found that those employed in engaged in services create 67% of the total added value of the Russian branch of economy, while manufacture on an industrial scale (extraction of commercial minerals, production and distribution of current, gas, water, manufacturing) create only 29%, agriculture and fishing - 4.2%. The development of the economy for the last 10 years was directed not at brunch expansion and diversification, but along the path of least resistance - distributive industries, real estate activities, financial activities. Today, experts identify four industries that can pull the Russian economy out of the crisis: manufacturing, construction, agriculture, public health service, which have inner potential and can give a real growth impact associated with import substitution.

However, the contradictory results of the anti-crisis measures implemented by the government did not lead to a change in the trend in the social and economic situation in the Russian villages, where the process of increasing problems and consolidating of the inertial trend continues. The share of employed in the main branches of the rural economy (agriculture, hunting, forestry, fishing, fish farming) decreased from 49 percent to 23 percent of the total number of people employed in rural areas from 2000 to 2013. Salary in agriculture has been on an average stably two times lower than the average salary in the economy of the country in recent years. The share of families with per capita incomes below the minimum of subsistence in rural areas in 2013 was more than 40 percent of the total number of poor families [13].

To answer the question whether agriculture and the agro industrial complex of Russia will become a potential driver of economic growth in the country, let's look at the baseline forecast of the leading market indicators for 2017, presented by the Economic Development Ministry of the Russian Federation.

This forecast is a scenario of maintaining unchanged external factors and restrained budgetary policies. With it, the growth of the economy in 2017 will be at the level of 0.6%. Inflation at the same time will be about 4%, but the rise in food prices will make the greatest contribution to inflation. Manufacture on an industrial scale will grow by 1.1%, which will mainly be provided at the expense of the government order. The average dollar exchange rate for the year will be 67.5 rubles per dollar in this scenario. Thus, the government is quite satisfied with the fact that the per capita gross domestic product indicator barely overcomes the negative mark. Experts believe that the government does not currently have a real strategy to develop the Russian economy. The government directs just over 3% of GDP to withdraw the country from the crisis, of which 73% will be used to support the banking sector. This is the data from the Russian Federation government website [18].

Therefore, most likely the situation in the economy will not change in the next 3 years, there will be a prolongation of the course, and no serious structural reforms are expected. The gross domestic product indicator will be in the near the zero marker. It is necessary to conclude that the task of creating prerequisites for overcoming inertial trends and economic growth is not on the agenda and no serious decisions will be made on this matter. Individual declarative appeals, which can be found in official government documents [11, 12, 13] - are not counted.

It is clear that in Russia, the majority of rural areas and rural settlements are not ready to adapt to the imperatives of scientific and technological progress, to modern realities, to changes in regional and national markets for various reasons. As a result, the gap between them and urban settlements increases, their backwardness is fixed, and i.e. there is a divergence that takes place. According to statistics, the divergence between the absolute sizes of per capita income in cities and in depressed, underdeveloped rural regions, which are characterized by extremely low indicators of resource availability and infrastructural development, is the most profound.

The term "divergence" is used in the economy to denote movement along divergent trajectories: increasing the gap between the levels of development of individual countries and regions, increasing differences between national models of the economy, etc. In addition, this term is also used to denote the deviation of individual countries or regions from average macroeconomic indicators by some group of countries or regions.

The territorial divergence is especially noticeable in the increase in the role of metropolitan metropolises and large regional centers. Currently, the regional centers

concentrate a third of the population and investments in the country, more than 60% of trade and contract catering. Regional centers and major cities form 40-70% of the gross regional product of each RF subject, i.e. the macroeconomic return per worker in the regional centers is on average 80% higher than in the rest of the territory [19]. The intraregional polarization became even more intense in 2016, and the problem of the spatial division of financial, industrial and human capital intensified.

The last Population Census revealed 34 thousand of "dying" villages in the Russian Federation with a population of less than 10 people (24% of all settlements). In addition, more than 13 ths of villages do not have permanent population [20]. Up to 3 ths of village settlements and villages disappear from the Russian map every year. Herewith, not only rural houses and households are being destroyed, but also life, the people's style of life, their history, culture. Many rural settlements, especially remote from regional centers, represent a typical Russian periphery in which life flows very sluggishly, there is nowhere to work, active and young people left there long ago, and the remaining population survives at the expense of natural economy and social security benefits.

As a result of depopulation of populated areas and shrinking populated areas of Russia, a kind of social and demographic desert was formed, characterized by a quantitative and qualitative deficit of human capital, depopulation, infrastructural inadequacy of the territory, lack of roads, closeness of connections, social apathy and almost complete lack of development prospects. If we add here the absence of telephone communication in the peripheral areas of the Russian Federation, the picture of complete isolation from any contacts of a significant part of the country's territory in the regions of the internal and external periphery will be quite complete. That is, the country is characterized by the ever-decreasing coherence of its vast space, the inaccessibility of vast peripheral spaces, not only remote, but also within the regions of the European part of Russia. In such conditions, it is possible to speak about the growing problem of territorial disintegration, the deployment of productive forces and the distribution of human capital across the territory of the Russian Federation. The growing polarization of the economic space is becoming an important factor hampering the development of the country and its economy.

Meanwhile, a number of experts note that the integration processes taking place in the economy determine the predominance of convergence processes cause the predominance of convergence processes over divergent trends, that the process of economies approach and levels of development of rural areas can be launched under certain efforts.

The convergence means approach towards a stable equilibrium. Literally, convergence, as mentioned above, consists in the independent development of the same attributes in different systems as a result of adaptation to similar conditions or circumstances [21].

In modern scientific literature, several concepts of convergence are mentioned. The two concepts, the so-called beta- and sigma-convergences, were most widely used. The concept of beta-convergence (β -convergence) implies a so-called "catch-up" process, in which poorer and backward territories, regions have higher rates of economic growth. That is, beta-convergence is the negative rates dependence of economic growth on the initial level of territories development.

Sigma-convergence (σ -convergence) is a reduction in the spread of development levels of individual territories, regions in time. It is known that β -convergence is only a necessary condition for σ -convergence. In Russia, the β -convergence process is combined with σ -convergence. The reason for this combination is a rather large initial gap between rich and poor territories. It is so large that higher growth rates in poor municipalities and rural settlements are not able to reduce it in absolute and short term [22].

The conditional and absolute convergences are also distinguished by types. Conditional convergence assumes a positive relationship between the growth rate of the economy and the difference in current and equilibrium income levels. It differs from absolute convergence, suggesting that poor countries (regions) develop at a higher rate than the rich, catching up with them.

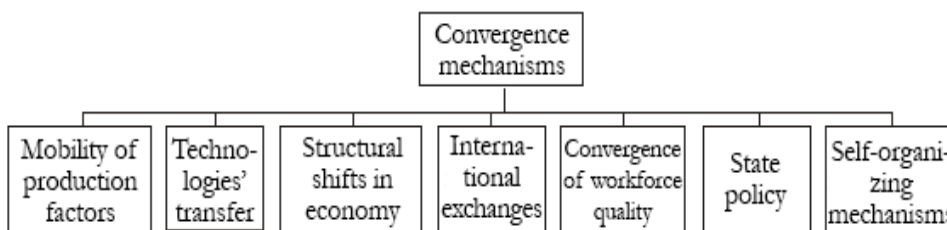
In accordance with the convergence hypothesis, if the economy of the territory at the initial moment of time is further from the position of stable equilibrium, its growth rates will be higher than that of the economy that is closer to equilibrium. Consequently, the differentiation can be significantly reduced, smoothed out or can disappear altogether in the long term. The convergence in terms of growth rates, income levels and productivity of factors of production are distinguished, understanding by this the smoothing of differences between countries (regions) according to the corresponding indicator.

The research carried out by the author of the dynamics of the level of interregional and intraregional inequality in the Russian Federation made it possible to conclude that the scale of interregional and intraregional differentiation by average per capita monetary income of the population is much less than the scale of differentiation per capita GRP. The convergence of average per capita incomes in conditions of GRP per capita divergence is caused by a number of factors, such as strengthening the degree of centralization of the fiscal system, the specifics of the redistribution policy of the federal center, the differences in infrastructural security and transport accessibility of individual territories.

Long-term studies of the causes and dynamics of interregional and intraregional inequalities have made it possible to identify the basic mechanisms of convergence and to identify a set of management measures that promote the convergent development of Russian territories. First of all, it is the stimulation of entrepreneurial and innovative activities in the territories, promotion of the

production factors mobility, structural transformation of the economy, development of interregional and inter-municipal cooperation, stimulation of self-organizing processes, etc. (Figure 4). These measures should become an integral part of the strategy for managing the social and economic development of rural areas.

Figure 4. *The Russian Territories' Convergence Mechanisms*



Analysis of the factors and speed of convergence, carried out by a number of Russian authors [7, 22], showed that the main prerequisites, engines of convergence of Russian territories in modern conditions are transport and construction. They contribute to the greatest degree of mobility of the main factors of production and overcoming inertial trends in the economy and society. Multidirectional one is the influence on the convergence processes of agriculture and industry. Therefore, in order to reduce the level of territorial inequality, including rural areas, it is advisable to concentrate efforts and resources on the development of infrastructure, traditional branches of agriculture and industry in the respective regions and municipalities when developing a strategy for the development of individual territories and industries.

In this paper, the concept of convergent development of Russian rural areas within the regions is proposed. In developing the concept, we proceeded from the fact that the very phenomenon of convergence as a process of gradual integration of individual, group (corporate) and social activities can be revealed through the mechanisms of development of socio economic systems. Its prerequisites are structural and functional changes within these systems. The concept of convergent development of rural areas is based on the idea of harmonizing personal, corporate and public interests in the process of functioning of business, government and public structures, and satisfaction the basic needs of the main part of the population.

In countries with developed economies, the institutions of self-organization have a leading role, while the institutions of state regulation, in essence, are complementary. In countries with transitional economies, over again, government control institutions remain leading, and self-organization institutions are called upon to act as complementary elements.

The immanent line of the convergent socio-economic system consists in the equivalence of the dominant basic institutional order based on self-organization and

state regulation. The process of convergence within such system assumes the maximum complementarity of these orders. Thus, the characteristic feature of the convergence of the social and economic system consists in the balance of the self-organization institutions and state regulation with respect to each other. Therefore, the main advantage of the convergent model for the development of the socio-economic system lies in the possibility of simultaneous use of the different institutional potentials arrangements based on self-organization and public administration. Institutional order refers to a set of interrelated formal and informal institutions that ensure the functioning and complex interdependence of the economy and society.

The analysis shows that in the current practice of state regulation of the economy, there is an obvious career towards an organizational component to the detriment of the self-organizational, what generates many controversial projects and inadequate reformatory decisions. For organizational processes are characterized by the presence of a specific managing entity initiating the processes of transformation on the basis of rational judgment that implement these processes through programs, regulations, organizational control. The desire for formalization and regulation is one of the main aspects of such strategy.

Self-organizing processes are characterized by spontaneity of structural prioritization. Specialists note the primacy of the self-organizing component in the processes of socio-economic prioritization. The organizational efforts can be successful and generate sustainable effective structures only with significant reinforcement from the self-organizing component. The strength and imperativeness of self-organizing processes can suppress any organizational effort. In our opinion, both these processes can be combined and explored within the framework of a unified concept of convergent development of socio-economic systems. In this case, it is possible to talk about the possibility of resonance of organizational and self-organizing processes, their coherence, as a result of which the system can have a regulation at the level of the choice of favorable attractors, which will result in a change in the quality of its elements.

The means of ensuring the unity of organizational and self-organizational processes within the framework of the proposed concept is state regulation and local self-government, whose duty is to provide conditions for the dynamic sustainable development of rural areas and the people living on it. To this, it directs its efforts to remove obstacles in the process of free social and economic self-organization, to support the sustainable functioning and development of the economy and society in rural settlements. As for self-organization, it should be noted that in rural areas its manifestations are very specific. This is connected with the fact that the rural population has always been the guardian of national traditions, the deep foundations of culture. Unlike the urban population, which lends itself more easily to the spirit of the times, the rural population has traditionally been more conservative, and the

institutions of self-organization and local self-government are still in a formative stage.

The statement we made about the unity of self-organization, organization and the means of their provision, the institution of local self-government, is the central fragment of the concept of convergent development of rural areas. Local self-government in the village settlements is considered in this context not only as a function of organization and self-organization manifestation, but also as a means of social regulating order in both forms.

The concept of convergent development of rural areas is based on the idea of a harmonious combination of personal, corporate and community project of human activity in the process of functioning of business structures, state and public organizations, other social actors; on the idea of creating conditions under which economic entities of rural settlements would provide such a type of economic behavior that would harmonize personal and public interests and contribute to meeting the basic needs of the majority of the population.

Within the framework of the concept of convergent development, the task of developing a strategy for managing the development of rural areas and the agro industrial complex in general (which is extremely important for Russia) on the basis of mechanisms of controlled self-organization. Such management strategy must organically combine a hierarchical organization with regulatory regulation and control, on the one hand, and with new functions aimed at perceiving weak signals, and changes that stimulate positive development trends in the village settlements, on the other hand. Creative self-organization processes and formal municipal management should act as inseparable aspects and factors for ensuring the convergent development of rural areas.

The combination of self-organization and management in a convergent socio-economic system ensures its functioning through market mechanisms, the achievement of a real effect on entrepreneurial and investment activities, as well as a relatively fair distribution of income, which opens the way to the desired harmonization of interests (in terms of reducing social tension and proneness to conflict) enterpriser-owners of capital, and other citizens at all levels of government, including local.

It should be noted that the proposed concept of convergent development of the territories contains a mechanism for overcoming social and economic inertia in rural settlements where crisis phenomena are most acute and contradictory. The author already has experience in the development and approbation of the concept of convergent development of the region, on the basis of which a model for managing the development of the region's economy was developed using the example of the Tomsk region, combining elements of convergence and divergence [23].

As noted above, not only the overall macroeconomic situation in the country, but also the conservatism of the rural population and the rural way of life, determines the formation, manifestation, and consolidation of inertial trends in the rural economy and society. The main causes of socio-economic inertia in the village settlements are in the action of specific inhibitory mechanisms, which manifest themselves in the complex interconnection of constraining rural development factors. Thanks to the action of the braking mechanisms, federal budget funds allocated to support depressed areas do not bring the expected results, and the programs and projects developed do not lead the municipal and regional economies to the growth path.

The current braking mechanism ensures neutralization of the regional efforts and local authorities, as well as funds allocated to support budgetary provision and stimulate the economic growth of rural areas. Such a mechanism is able over a long period of time to reproduce and consolidate the depressiveness of the system, without using the resources allocated to ensure economic growth. When the system spends all its resources and opportunities on repeating itself in productivity, size, internal content, and so on is the economic inertia.

The economies in which inertial trends are established not only do not reduce consumption of resources but are also objectively forced to increase the consumption of almost all types of resources, which is dictated by the need to replace morally and physically obsolete means of production, an increasing energy costs, information, materials which are necessary to maintain what has been achieved level of development.

The main factors inhibiting the economy of rural areas at present include:

- low level of incomes of the population in rural areas; significant disproportions in the level of remuneration in various branches, in different territories, in cities and rural settlements;
- disparities in the structure of the national, regional and municipal economy;
- limited access of business structures to capital;
- lack of attractive objects for investment in rural areas (industrial enterprises with high growth potential);
- geographical remoteness and underdevelopment of the individual regions transport infrastructure, and especially - of rural areas;
- low level of international, interregional and intermunicipal interaction (underdevelopment of economic ties);
- not the development of the institutional environment that determines the nature of economic relations, ownership structure, development strategies, etc.

The factors listed above can be called restraining, discouraging the socio-economic development of rural areas. They confront, compete with the so-called growth factors, stimulating the development of the economy and society.

Growth factors in the village settlements can currently be:

- restoration and development of agro industrial potential of the rural economy, the emergence of new processing industries, the opening of new enterprises in rural areas, the emergence of additional workplaces there;
- reduction of the technological inferiority, which does not allow ensuring the proper competitiveness of products, including agricultural products;
- qualitative human capital, the influx of educated youth into rural areas, increasing the availability of social and cultural services for the population of rural areas;
- rich natural resources (significant reserves of oil, gas, timber, other biological resources);
- growth of commodity turnover with other settlements, incl. with big cities, other regions, and countries;
- development of industrial, transport, investment, social and other infrastructure capable of providing a more favorable investment and entrepreneurial climate in Russian rural settlements;
- institutional reforms aimed at the formation and establishment of new agro industrial facilities, the development of institutions for financing rural projects, the formation of an enabling environment for the development of industrial enterprise, incl. in the village settlement.

The competition between the two specified groups of factors - acceleration and inhibition- leads to different development regimes in rural areas. If the growth formed factors will dominate on the factors of inhibition, then the regime of intensive development of the territory can form. On the other hand, the regime of economic efficiency decline may outweigh the factors, if braking factors are stronger. Obviously, within the last three years, the constraining, inhibiting factors that led to the stagnation of the economy and the degradation of the social sphere, especially in rural areas, were dominant in the Russian Federation.

In the concept of convergent development of rural areas, in addition to the idea of managing growth factors, the mechanisms for overcoming the inertia and development of the economy of rural settlements are based on the use of positive and negative feedbacks. The positive feedbacks lead to the buildup of the system, to its transformation, the accumulation of qualitative changes. Negative ties, contrary, are aimed at preserving the existing structures and relations, and ensuring the stability of the system. Therefore, any crises in the system are determined by the strong influence of positive feedbacks [24, 25, 26].

In the concept of convergent development of rural areas of the Russian Federation, the author's point of view was realized, according to which nonlinear positive feedbacks working to deepen inter-territorial disproportions will "disperse" the municipal economy, increase its growth rate, and their consequences will be compensated for by corrective actions of state regulation bodies and local government. That is, the idea behind this concept is the managed self-organization

of rural areas.

The proposed concept presupposes differentiation of approaches, mechanisms and instruments of federal, regional and municipal policy, depending on the typology of rural areas, which will help to reduce the growth rates of intraregional asymmetry, intensify economic activity in rural areas, and formation and develop the competitive advantages of each individual territory.

According to the formed concept of convergent development of rural areas of Russia, unlike the model by K. Mer, the effective regional and municipal policies can not only lead economically backward territories to the growth path and prevent the growth of intraregional inequality, but also ensure an increase in the growth rates of regional and national economies (through increased interregional and intraregional integration, more rational use of the resource potential of rural areas, prevention of backward degradation and depressed rural settlements).

5. Results and Discussion

The practical application of the concept of convergent development of rural areas and the model for managing the development of the rural economy on the basis of a combination of convergence and divergence can lead to the emergence of a synergistic effect of interaction between economic agents in the form of strengthening their entrepreneurial activity, a more efficient technology (thanks to positive and negative feedbacks); increasing the effectiveness of communication processes. The rural economy itself can acquire new qualities and become more stable and effective.

The results of the research led to the conclusion that the implementation of the concept of convergent development of rural areas, the inclusion of stabilization mechanisms related to the implementation of effective economic and social policies in the village settlements can significantly adjust the trajectories of the economic dynamics of backward and depressive territories, while maintaining the growth rates of successful areas and settlements. Therefore, the formulated concept, recommendations on its application and the model of managing the convergent development of the rural settlements economy can serve as a methodological basis for developing a strategy for managing the development of Russian rural areas. This is especially true in modern conditions, characterized by the continued stagnation of the Russian economy, decline in world energy prices, and geopolitical problems.

The territory economic model in the case of choosing a convergent path of development will be a model of a mixed economy with an equitable position of state institutions and private property, institutions of public regulation and market self-regulation. Such model can ensure achievement of strategic goals and desired standards of social welfare.

The proposed concept of convergent development of rural areas, embodied in an effective economic and social policy, is able not only to prevent the growth of territorial inequality, but also to increase the growth rates of the economy by expanding intraregional integration, more rational using of the resource and economic potential of rural areas, increasing the mobility of factors of production and the quality of human capital assets in backward and depressed rural settlements.

The theoretical significance of the research is the development of theoretical and methodological foundations and recommendations for improving the management of socio-economic development of rural areas, taking into account the specifics of the current stage of development of the Russian economy and the practice of regulatory impacts of state and municipal government.

Practical significance of the research results consists in the possibility of using the developed concept by state and municipal government in the practice of regulating the territorial and socio-economic development of the country, in the development and implementation of territorial policy, stabilization and anti-crisis programs. The author proposed and justified the convergent concept development of rural areas, including mechanisms for overcoming the socio-economic inertia and depression of Russian rural settlements. The author proposed and justified the concept of convergent development of rural areas, including the mechanism. The results of the paper can be applied in the process of forming a strategy for managing the development of regions and municipalities in the conditions of economic and institutional transformation, while forecasting the directions and prospects for the development of Russian territories.

6. Conclusion

In conclusion, we note that we have to admit that the current socio-economic policy does not provide the task entrusted to it to ensure a stable development of the country in the face of increased risks and uncertainty of the external environment. Practice has shown that the implemented model of governance of the country is inherently incapable of fulfilling this task, since it is oriented towards ensuring the sustainability of only certain structural elements of the national economic system (natural monopolies, banks, state corporations, and a number of territorial entities). In addition, lack of funds and effective methods of managing the economy in times of extreme instability, stagnation and recession is have an effect. Nor is the principle impossibility of implementing certain ambitious strategic attitudes and projects taken into account because of weak consideration of the positive and negative feedbacks in the economy is not taken into account.

The negative consequences of the implementation of the existing policy are the strengthening of territorial polarization and the formation of the economy of "economic contraction" in the extra-urban space of a huge country. It became obvious that intraregional (as well as interregional) asymmetry is unavoidable,

unification is impossible, and that it will not be possible to overcome significant differences in the economic development of individual territories, primarily rural ones, as far ahead as anyone can see. The existing differences should be managed, developing for differentiated approaches, mechanisms and tools that can form and develop the competitive advantages of each rural area. The development qualitatively new conceptual ideas on managing the spatial development of the economy based on the principles of convergent development of territories are actually.

At the same time, one of the main mechanisms for overcoming the depressed nature of the territories is the maneuvering of placement factors and available resources, the movement of financial flows to the corresponding points of space, in the preservation of which the society is interested. Another option for conscious action may be the creation of favorable conditions for the development of the economy of rural areas, the identification and adoption of preventive measures to prevent destabilizing processes, the timely implementation of measures to strengthen the sustainability of the economy of rural settlements. The socio-economic policy towards rural areas at the present stage should be particularly balanced, balanced, taking into account the competition of the two factors groups (inhibition and acceleration) in the socio-economic space, as well as the effects of non-linear feedbacks that promote the self-growth (or self-weakening) of positive (or negative) processes in the social and economic spheres in rural areas.

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